

(c) and (e) According to RBI, a large number of companies do not submit to RBI their annual balance sheets, profit and loss account and annual returns and also the other returns specified by the Bank. Some of the companies have also been found to have violated the provisions of the Directions Guidelines issued by RBI in regard to acceptance of deposits, rate of interest on deposit, maintenance of liquid asset etc. In view of this it was considered necessary by RBI to take stringent action, including issue of prohibitory orders, against such of the companies, which persistingly default in complying with statutory obligations. A press release has been issued in this regard by RBI through their Regional Offices, cautioning NBFCs.

The Reserve Bank of India Act, 1934 has been amended by issuing a Ordinance on 9.1.97. The Ordinance empowers RBI to more effectively deal with NBFCs which default in complying with directions/guidelines issued to them.

Survey for Disbursement of Loan under Prime Minister's Rozgar Yojana

1193. SHRI I.D. SWAMI :

SHRI SRIBALLAV PANIGRAHI :

Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has decided to undertake a sample survey of the disbursement of loan under Prime Minister's Rozgar Yojana;

(b) if so, the details of the States likely to be covered under the survey;

(c) whether the Government are aware that applications cleared by district industrial centres for loan under the PMRY are still pending for disposal in concerned banks;

(d) if so, the details of such applications bank-wise and State-wise; and

(e) the steps, the Government propose to take to get the loans released?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Reserve Bank of India (RBI) have reported they have conducted four sample field studies in the last two years in all the States on the performance of Prime Minister's Rozgar Yojana (PMRY). These studies have identified bottlenecks which, inter-alia, include sponsoring of inadequate number of viable proposals by Task Force Committees, activities financed not generating expected income thus affecting recovery adversely and inadequate training facilities.

(c) to (e) The statements I and II indicating bank-wise and State-wise position of performance on PMRY as at the end of November, 1996 respectively are enclosed.

The RBI have reported that the main reasons of pendency of applications at the branch level, inter-alia, were :

- (i) Non-compliance of requirements by borrowers like undergoing training, obtaining approvals from local bodies, obtaining power connections, etc.
- (ii) Branches had already reached the target set for the year and applications were pending scrutiny at branch level.

The guidelines already provide that the District PMRY Committee should assist the borrower in getting speedy clearance as necessary from the authorities concerned.

Statement-I

Bank-wise progress under Prime Minister's Rozgar Yojana (PMRY) during the year 1996-97 (upto 30th November, 1996) indicating the Number of Applications received, Applications sanctioned and Applications pending.

S. No.	Name of the Bank	Applica- tions Received	Applica- tions Sancti- oned	Applica- tions Pending
1	2	3	4	
Public Sector Banks				
1.	State Bank of India	61494	19718	23500
2.	State Bank of Bikaner and Jaipur	4747	1372	2861
3.	State Bank of Hyderabad	5768	2893	4504
4.	State Bank of Indore	3669	1367	2001
5.	State Bank of Mysore	3574	888	2666
6.	State Bank of Patiala	3848	1346	-
7.	State Bank of Saurashtra	1142	655	109
8.	State Bank of Travancore	4317	1656	1515
9.	Allahabad Bank	10489	2021	4506
10.	Andhra Bank	6467	2660	2357
11.	Bank of Baroda	15894	6729	-
12.	Bank of India	17564	6713	8034
13.	Bank of Maharashtra	7078	3065	2847
14.	Canara Bank	16156	6929	5213
15.	Central Bank of India	22513	5727	11192
16.	Corporation Bank	2982	1312	763
17.	Dena Bank	7972	2520	3332
18.	Indian Bank	9945	2453	-
19.	Indian Overseas Bank	9309	2954	3718
20.	Oriental Bank of Commerce	3971	1215	1481
21.	Punjab National Bank	24536	6721	10086

1	2	3	4
22. Punjab and Sind Bank	3457	489	2307
23. Syndicate Bank	8536	2635	3552
24. Union Bank of India	9913	3976	3768
25. United Bank of India	8740	1547	3846
26. UCO Bank	6579	1057	4368
27. Vijay Bank	5644	1894	2572
Total of Public Sector Bank	280304	92512	111098
Total of Private Sector Banks	12003	4167	3147
Total of All Banks	298307	96679	114245

Statement-II

State/Union Territory-wise progress under Prime Minister's Rozgar Yojana (PMRY) during the year 1996-97 (upto 30th November, 1996) - Latest available - indicating the number of applications received, sanctioned and pending.

S. No.	Name of the Bank	Applica- tions Received	Applica- tions Sanctioned	Applica- tions Pending
1	2	3	4	
1.	Andhra Pradesh	23826	11264	9266
2.	Arunachal Pradesh	50	20	28
3.	Assam	3279	1067	1304
4.	Bihar	24753	6542	11474
5.	NCT of Delhi	3731	440	1380
6.	Goa	471	247	71
7.	Gujarat	10460	5000	1463
8.	Haryana	8507	3132	1849
9.	Himachal Pradesh	2138	1068	479
10.	Jammu and Kashmir	950	309	312
11.	Karnataka	18863	5992	9591
12.	Kerala	12609	4691	4435
13.	Madhya Pradesh	37183	8828	19719
14.	Maharashtra	38269	15097	13887
15.	Manipur	2200	517	1433
16.	Meghalaya	264	75	120
17.	Mizoram	57	12	24
18.	Nagaland	121	56	49
19.	Orissa	2787	626	1666
20.	Punjab	11051	3126	3929
21.	Rajasthan	15357	4762	5013
22.	Sikkim	145	50	67
23.	Tamil Nadu	17501	5560	4178

1	2	3	4
24. Tripura	1628	146	826
25. Uttar Pradesh	42263	13308	12200
26. West Bengal	13848	2615	7231
27. Andaman and Nicobar Islands	64	20	21
28. Chandigarh	119	55	28
29. Dadra and Nagar Haveli	114	48	41
30. Daman and Diu	27	14	9
31. Pondicherry	525	34	154
32. Lakshdweep	35	7	24
Not Specified	5112	1901	1974
All India	298307	96679	114245

High Rate of Interest by Financial Institutions

1194. SHRI T. GOPAL KRISHNA : Will the Minister of FINANCE be pleased to state :

(a) whether the banks and the financial institutions are flushed with funds which can be lent to commercial sector;

(b) whether the credit to the commercial sector has been sluggish inspite of its acute liquidity problem due to high rates of interest from these institutions;

(c) whether the Government are aware that a distortion has been created between the commercial banks and the financial institutions with respect to the these funds on account of costlier credit of the financial institutions due to higher rates of fund collections than banks; and

(d) if so, the steps taken by the Government to ensure that the financial institutions do not get loaded with unused funds?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) Reserve Bank of India (RBI) has reported that during the financial year 1996-97 (upto January 31, 1997), aggregate deposits of scheduled commercial banks showed a growth of Rs. 49,519 crores (11.4 per cent) a compared with an increase of Rs. 24,767 crores (6.4 per cent) during the corresponding period of previous year. Apart from the larger deposit accretion, banks have comfortable liquidity due to release of resources through successive reduction in the CRR by the Reserve Bank of India since November 1995 amounting to Rs. 7,525 crore during 1995-96 and Rs. 17,850 crore during 1996-97 upto January 1997. The lendable resources of banks have, therefore, increased during the current year. As regards financial institutions, RBI have reported that IDBI and IFCI are not flushed with funds and that ICICI has indicated that they have adequate funds to meet their borrowers' requirements.